RECORD AND BRIEFS

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In the Supreme Court of the United States

BRISTOL-MYERS SQUIBB COMPANY,

Petitioner,

v.

SUPERIOR COURT OF CALIFORNIA FOR THE COUNTY OF SAN FRANCISCO, et al.,

Respondents.

On Petition for a Writ of Certiorari to the Supreme Court of California

BRIEF OF THE CHAMBER OF COMMERCE OF THE UNITED STATES OF AMERICA, CALIFORNIA CHAMBER OF COMMERCE, AND AMERICAN TORT REFORM ASSOCIATION AS *AMICI CURIAE* IN SUPPORT OF PETITIONER

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INTEREST OF THE *AMICI CURIAE*

The Chamber of Commerce of the United States of America is the world's largest business federation, representing 300,000 direct members and indirectly representing the interests of more than three million companies and professional organizations of every size, in every industry sector, and from every region of the country. The Chamber represents the interests of its members in matters before the courts, Congress, and the Executive Branch. To that end, the Chamber regularly files *amicus curiae* briefs in cases that raise issues of vital concern to the Nation's business community, and has participated as *amicus curiae* in numerous cases addressing jurisdictional issues.[1]

Many Chamber members conduct business in States other than their State of incorporation and State of principal place of business (the forums in which they are subject to general personal jurisdiction, *see Daimler AG* v. *Bauman*, 134 S. Ct. 746, 760 (2014)). They therefore have a substantial interest in the rules governing the extent to which a State can subject nonresident corporations to specific personal jurisdiction.

The California Chamber of Commerce ("CalChamber") is a nonprofit business association

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[1] Pursuant to Rule 37.6, *amici* affirm that no counsel for a party authored this brief in whole or in part and that no person other than *amici*, their members, or their counsel made a monetary contribution to its preparation or submission. Counsel of record for both parties received notice at least 10 days prior to the due date of the intention of *amici* to file this brief. The parties' blanket consents to the filing of amicus curiae briefs are on file with the Clerk.

with over 14,000 members, both individual and corporate, representing virtually every economic interest in the State. For over 125 years, CalChamber has been the voice of California business. While CalChamber represents several of the largest corporations in California, seventy-five percent of its members have 100 or fewer employees. CalChamber acts on behalf of the business community to improve the State's economic and employment climate by representing business on a broad range of legislative, regulatory, and legal issues.

Founded in 1986, American Tort Reform Association ("ATRA") is a broad-based coalition of businesses, corporations, municipalities, associations, and professional firms that have pooled their resources to promote reform of the civil justice system with the goal of ensuring fairness, balance, and predictability in civil litigation. For over two decades, ATRA has filed *amicus* briefs in cases that have addressed important liability issues.

Subjecting corporations to specific jurisdiction for claims that have nothing to do with the forum State would eviscerate the due process limits on personal jurisdiction recognized by this Court in numerous cases dating back to *International Shoe Co.* v. *Washington*, 326 U.S. 310 (1945)—and could well expose corporations that do business nationwide to what amounts to general personal jurisdiction in all fifty States.

Amici file this brief to explain that this Court's review of the holding below is warranted because that result is irreconcilable with this Court's precedents and would impose unfair burdens on businesses, permit forum-shopping that undermines the in-

tegrity of the judicial system, and contradict the principles of American federalism.

INTRODUCTION AND SUMMARY OF ARGUMENT

This Court's decisions nearly three years ago in *Daimler* and in *Walden* v. *Fiore*, 134 S. Ct. 1115 (2014), have produced a large number of lower court decisions addressing the due process limits on personal jurisdiction—and reaching conflicting results. Some of these conflicts stem from disagreements about the meaning of *Daimler* and *Walden*, and some involve the deepening, and increased importance, of pre-*Daimler*/*Walden* disagreements. At least four certiorari petitions presenting substantial questions regarding personal jurisdiction (in addition to the present case) are now pending before the Court.[2]

Clarity regarding the due process standards governing personal jurisdiction is essential. These issues arise in virtually every case that is not filed in the defendant's place of incorporation or principal place of business—and that set of cases represents a very substantial percentage of the litigation involving corporations. Uncertainty regarding the applicable legal rules inflicts needless litigation expense, promotes forum shopping, and violates important federalism principles by permitting one State to intrude on the sovereignty of other States.

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[2] *Koninklijke Philips, N.V.* v. *Washington*, No. 16-559 (petition for certiorari filed Oct. 19, 2016); *Cornerstone Healthcare Group Holding, Inc.* v. *Nautic Management VI, L.P.*, No. 16-522 (petition for certiorari filed Oct. 17, 2016); *T.V. Azteca S.A.B. de C.V.* v. *Ruiz*, No., 16-481 (petition for certiorari filed Oct. 7, 2016); *BNSF Railway Co.* v. *Tyrrell*, No. 16-405 (petition for certiorari filed Sept. 28, 2016).

Amici submit that this Court's review is warranted with respect to a number of the issues on which the lower courts are in conflict. In this brief, we describe the different categories of questions presented in the pending petitions, and explain why this case—because it implicates several issues on which the lower courts disagree—provides the Court with an exceptional opportunity to clarify this important area of the law.

This Court in *Daimler*:

- Distinguished between "specific jurisdiction," in which a court may exercise "[a]djudicatory authority" because "the suit arises out of or relates to the defendant's contacts with the forum;'" and "general jurisdiction," in which the "corporation's continuous corporate operations within a state are so substantial and of such a nature as to justify suit against it on causes of action arising from dealings entirely distinct from those activities." 134 S. Ct. at 754 (internal quotation marks and brackets omitted).
- Recognized that "[a]s this Court has increasingly trained on the relationship among the defendant, the forum, and the litigation, *i.e.*, specific jurisdiction, general jurisdiction has come to occupy a less dominant place in the contemporary scheme." *Id.* at 758 (internal quotation marks, citation, and footnote omitted).
- Held that general jurisdiction is available only where a "corporation's 'affiliations with the State are so "continuous and systematic" as to render it "essentially at home in the forum

> State," which—absent unusual circumstances—restricts general jurisdiction to a corporation's State of incorporation and State of principal place of business. *Id.* at 761 (internal quotation marks omitted).

Walden emphasized that the specific jurisdiction inquiry "focuses on the relationship among the defendant, the forum, and the litigation"; "[f]or a State to exercise jurisdiction consistent with due process, the defendant's suit-related conduct must create a substantial connection with the forum State." 134 S. Ct. at 1121 (internal quotation marks omitted).

In the wake of *Daimler* and *Walden*, lower courts are confronting three basic sets of issues. *First*, they face contentions that, notwithstanding *Daimler*'s holding, general jurisdiction is available in a State that is not the corporation's place of incorporation or principal place of business. *BNSF Railway Co.* v. *Tyrrell*, No. 16-405, in which some of the *amici* here filed an *amicus curiae* brief urging summary reversal, is an example of this phenomenon.

Second, lower courts are addressing the standard governing specific jurisdiction, because, as *Daimler* recognized, that is now the basis for personal jurisdiction in most cases—which is even more the case in light of the Court's holding in *Daimler*. The lower courts are reaching conflicting conclusions on, for example, the proper application of the "stream of commerce" and "effects" tests. These issues are presented in *Koninklijke Philips N.V.* v. *Washington*, No. 16-559, and *TV Azteca, S.A.B. de C.V.* v. *Ruiz*, No. 16-481, in which some of the *amici* here plan to file an *amicus curiae* brief urging the Court to grant review.

Third, lower court cases address the distinction between general and specific jurisdiction—in particular the standard for determining when a contact between the forum and the defendant qualifies as "related" to the suit and therefore may be considered in assessing the permissibility of specific jurisdiction. This case presents the lower courts' conflict on that question.

This Court has expressly admonished lower courts not to "elide[] the essential difference between case-specific and all-purpose (general) jurisdiction." *Goodyear Dunlop Tires Operations, S.A.* v. *Brown*, 564 U.S. 915, 927 (2011). But that is exactly what the majority below did, by inventing a "sliding scale approach to specific jurisdiction," under which "the more wide ranging the defendant's forum contacts, the more readily" the court presumes a "connection between the forum contacts and the claim"—even when in fact there is no such connection. Pet. App. 32a.

The California court's "sliding scale approach" subjects petitioner to the practical equivalent of general jurisdiction in California for every claim involving the drug Plavix—even claims by individuals who did not ingest or purchase the drug in California and are not California residents—simply because the same drug was also purchased by *other* individuals claiming injury in California. Applying the "specific jurisdiction" label to uphold what is in fact general jurisdiction, so as to circumvent this Court's limits on general jurisdiction, is directly contrary to this Court's precedents and will have disastrous consequences for nationwide businesses and for the judicial system.

This Court's decisions regarding the scope of specific jurisdiction—from *International Shoe* up to the present—consistently recognize that the plaintiff's claims must relate *directly* to the defendant's contacts with the forum State. That is so because, as this Court explained in *Goodyear*, specific jurisdiction is proper only to the extent that a case involves "activity or an occurrence that takes place in the forum State and is therefore subject to the State's regulation." *Goodyear*, 564 U.S. at 919 (brackets and internal quotation marks omitted). Where a claim does not in any way arise out of the defendant's contacts with the forum State, there is no basis for regulation by the State and specific jurisdiction is unavailable.

The majority below held that California could exercise specific jurisdiction over out-of-State plaintiffs' claims, despite the lack of a connection between those claims and petitioner's California contacts (principally, distributing and marketing the drug in California), because petitioner allegedly engaged in similar sales and marketing activity in other States.

But that holding means that a product manufacturer is subject in practical terms to general jurisdiction for any product-related claims in *every* State where its products are sold. Such a result would be flatly inconsistent with *Daimler*, which held that general jurisdiction should only be found in a corporation's State of incorporation and principal place of business, except in a truly "exceptional case." 134 S. Ct. at 761 n.19.

It would also impose new and unwarranted burdens on nationwide businesses, the courts, and the American federal system. Businesses that sell products in a large number of States would have no ability to predict where, and to what extent, they might

be haled into court on product-related claims: any plaintiff could bring a claim in any forum where the defendant's product was sold. Certain courts perceived to be plaintiff-friendly would be overwhelmed as plaintiffs' lawyers concentrated as many product-related lawsuits in those courts as possible. And States would be newly empowered to regulate conduct that occurred entirely outside their borders—contrary to the principles of federalism, which hold that each State's regulatory authority is confined to in-State matters.

The harmful consequences that are sure to follow from the decision below are ample evidence that this issue merits this Court's attention. And the clear conflict between the decision below and this Court's precedents leaves no doubt that the decision below should be reversed.

Moreover, because this case involves general jurisdiction, specific jurisdiction, and the relationship between the two, it provides an exceptional opportunity for this Court to clarify this important area of law. As the dissenting justices below noted, the theory adopted by the California court majority finds no support in this Court's jurisprudence and threatens to undo, through an expansion of specific jurisdiction, the limits set by this Court on general jurisdiction. Review is therefore clearly warranted.

ARGUMENT

I. The "Sliding Scale" Standard For Specific Jurisdiction Violates Due Process.

A. This Court's Precedents Establish That The Plaintiff's Claim Must Directly Relate To The Defendant's Forum Contacts To Permit Specific Jurisdiction.

Just two years ago, this Court reaffirmed that in order for an exercise of specific jurisdiction to comport with due process, "the defendant's *suit-related* conduct must create a *substantial connection* with the forum State." *Walden*, 134 S. Ct. at 1121 (emphasis added). This requirement encapsulates the essence of specific jurisdiction: Unlike general jurisdiction, specific jurisdiction must be based on forum contacts *that give rise to the plaintiff's suit.*

Walden was not the first decision of this Court to acknowledge that principle. To the contrary, the Court articulated it for the first time more than seventy years ago in *International Shoe*, which defined the approach to specific jurisdiction that is still used today. Explaining why specific jurisdiction comports with due process, this Court observed that when "a corporation exercises the privilege of conducting activities within a state, it enjoys the benefits and protection of the laws of that state." 326 U.S. at 319. "The exercise of that privilege," the Court reasoned, "may give rise to obligations; and, so far as those obligations arise out of or are connected with the activities within the state, a procedure which requires the corporation to respond to a suit brought to enforce them can, in most instances, hardly be said to be undue." *Ibid.* (emphasis added).

The Court went on to conclude that Washington's exercise of specific jurisdiction over the defendant was permissible because the defendant had engaged in activities within the State and "[t]he obligation which is here sued upon arose out of ***those very activities***," making it "reasonable and just * * * to permit the state to enforce ***the obligations which [the defendant] ha[d] incurred there***." *Id.* at 320 (emphasis added).

The *International Shoe* framework thus rests on the principle that, when a defendant engages in activity in the forum State, due process permits it to be haled into court there on a specific jurisdiction theory only with respect to claims that arise out of "the very activities" that the defendant engaged in, or that enforce the "obligations" that the defendant incurred in the State. That principle necessarily bars the invocation of specific jurisdiction with respect to claims that do ***not*** arise out of in-State activities or obligations.

This Court has repeatedly recognized that precise limitation on specific jurisdiction. In *J. McIntyre Machinery, Ltd.* v. *Nicastro*, for example, the plurality opinion contrasted specific jurisdiction with general jurisdiction, which allows a State "to resolve both matters that originate within the State and those based on activities and events elsewhere." 564 U.S. 873, 881 (2011) (plurality opinion). Specific jurisdiction, the plurality explained, involves a "more limited form of submission to a State's authority," whereby the defendant subjects itself "to the judicial power of an otherwise foreign sovereign ***to the extent that power is exercised in connection with the defendant's activities touching on the State.***" *Ibid.* (emphasis added).

Then, in *Goodyear*, the Court explained that specific jurisdiction "depends on an affiliation between the forum and the underlying controversy, principally, ***activity or an occurrence that takes place in the forum State and is therefore subject to the State's regulation***." *Goodyear*, 564 U.S. at 919 (emphasis added; brackets and internal quotation marks omitted). Thus, specific jurisdiction exists only where a defendant engages in continuous activity in the state "and *that activity gave rise to the episode-in-suit*," *id.* at 923, or where the defendant commits "'single or occasional acts' in a State [that are] sufficient to render [it] answerable in that State with respect to those acts, ***though not with respect to matters unrelated to the forum connections.***" *Id.* (emphasis added) (quoting *Int'l Shoe*, 326 U.S. at 318).

Finally, in *Daimler*, the Court reaffirmed that specific jurisdiction is available only where the defendant's in-State activities "g[i]ve rise to the liabilities sued on," or where the suit "relat[es] to that in-state activity." *Daimler*, 134 S. Ct. at 754 (internal quotation marks omitted).

In short, the Court has repeatedly underscored that specific jurisdiction is available ***only*** for claims that directly relate to a defendant's in-State activities. A State cannot exercise specific jurisdiction with respect to claims that do not directly relate to a defendant's forum contacts.

B. The "Sliding Scale" Approach Conflicts Extends State Regulatory Authority Beyond The Bounds Permitted by the Constitution.

The California court's "sliding-scale" approach—under which "the more wide ranging the defendant's forum contacts, the more readily" the court presumes a "connection between the forum contacts and the claim," even when in fact there is no such connection, Pet. App. 32a—is squarely contrary to this Court's teachings on specific jurisdiction. It allows a defendant to be haled into court on a "specific jurisdiction" theory even when the plaintiff's claims lack any direct relation to the defendant's forum contacts—thereby transforming specific jurisdiction into something far more akin to general jurisdiction.

The court below did not contend that the claims of out-of-State plaintiffs arose out of or directly resulted from petitioner's conduct in California—on the contrary, it freely acknowledged under its approach, that issue was irrelevant because a plaintiff's claim "need not arise directly from the defendant's forum contacts" or be causally linked to those contacts in any way. Pet. App. 22a. Instead, the court held that it was sufficient that the in-State and out-of-State plaintiffs' claims were "based on the same allegedly defective product and the assertedly misleading marketing and promotion of that product" as part of a "common nationwide course of distribution." *Id.* at 28a.

That holding cannot be squared with cases like *Goodyear*, which make clear that specific jurisdiction may be exercised only with respect to "activity or an occurrence that takes place in the forum State and is therefore subject to the State's regulation." *Good-*

year, 564 U.S. at 919 (brackets and internal quotation marks omitted). The out-of-State plaintiffs here do not allege that they were injured by petitioner's drug in California; that the drug was designed or developed in California; or that they saw any marketing or advertising for the drug in California. Indeed, *every* operative event underlying their claims took place outside the State. Thus, none of petitioner's "suit-related conduct" with respect to these claims had *any* connection to California, let alone a "substantial connection." See *Walden*, 134 S. Ct. at 1121; see also *Glater* v. *Eli Lilly & Co.*, 744 F.2d 213, 216 (1st Cir. 1984) (holding that defendant's sales of a drug in New Hampshire could not "be said to be related to [plaintiff's] injury" in Massachusetts for specific-jurisdiction purposes).

It is no answer to say, as the court below did, that petitioner's alleged "common nationwide" course of conduct supplies the missing "substantial connection" between California and the out-of-State plaintiffs' claims. The court below focused on the fact that in light of petitioner's California activities, it was "not unfair" for petitioner to be haled into court there. Pet. App. 30a (internal quotation marks omitted); see also *id.* at 22a (stating that the "ultimate question under the due process clause" is "whether the exercise of jurisdiction in the forum is fair"). But "fairness" in broad terms is only one aspect of the specific jurisdiction test; specific jurisdiction also requires minimum contacts between the defendant and the forum that are "suit-related." *Walden*, 134 S. Ct. at 1121. That minimum-contacts requirement cannot be met by pointing to contacts that did not give rise to the plaintiff's claims.

At most, what the court's analysis suggested was that petitioner's alleged in-State conduct paralleled its alleged conduct in other States. But nothing in this Court's precedents suggests that mere parallelism between a defendant's in-State conduct and the conduct that allegedly caused an out-of-State injury is enough to create specific jurisdiction over the out-of-State claim.

If it did, then California could point to the fact that a product is sold in California as a basis for regulating the labeling of the same product when it is sold in other States—on the theory that the defendant's "common nationwide" labeling permits that result. Due process precludes such an expansive assertion of state power.

Indeed, the idea of basing specific jurisdiction on this kind of parallelism clearly conflicts with this Court's decision in *Daimler*. In *Daimler*, this Court held that corporations should ordinarily be subject to general, all-purpose jurisdiction *only* in the "paradigm" forums of their State of incorporation and principal place of business. *Daimler*, 134 S. Ct. at 760 (quoting *Goodyear*, 564 U.S. at 924). Indeed, the Court stated that general jurisdiction would exist outside those forums only "in an exceptional case." *Id.* at 761 n.19. *Daimler* imposed this restriction out of recognition that "[a] corporation that operates in many places can scarcely be deemed at home in all of them" (134 S. Ct. at 762 n.20), and that specific jurisdiction has become the "centerpiece of modern jurisdiction theory, while general jurisdiction has played a reduced role." *Id.* at 755 (brackets and internal quotation marks omitted).

But under the sliding-scale approach used here, product manufacturers would effectively be subject

to general jurisdiction in every State in which they sell their products. Any plaintiff who purchased the product could bring suit in any State where the product was sold, simply by alleging that the manufacturer engaged in a "common nationwide course of distribution."

And while this case involves both in-State and out-of-State plaintiffs, nothing in the approach used by the court below requires there to be any in-State plaintiffs at all, as long as the defendant has engaged in conduct in the State that is similar to the out-of-State conduct that allegedly caused an out-of-State injury. That would "reintroduce general jurisdiction by another name," on a massive scale—undermining *Daimler*'s cabined framework for general jurisdiction. See Linda J. Silberman, *The End of Another Era: Reflections on* Daimler *and Its Implications for Judicial Jurisdiction in the United States*, 19 Lewis & Clark L. Rev. 675, 687 (2015); see also Pet. App. 50a-51a (Werdegar, J., dissenting) ("What the federal high court wrought in *Daimler* * * * this court undoes today under the rubric of specific jurisdiction.").[3]

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[3] And as the First Circuit noted in rejecting the specific-jurisdiction approach adopted by the court below, it would also "amount to retributive jurisdiction"—in that defendants would be held liable for out-of-State injuries without having committed any in-State acts to subject themselves to specific jurisdiction for those injuries. *Glater*, 744 F.2d at 216 n.4.

II. Exercising Specific Jurisdiction Over Claims That Do Not Directly Relate To A Defendant's Forum Contacts Harms Businesses, Courts, And The Federal System.

Decisions such as the ruling below not only violate settled due process principles—they inflict severe burdens on the business community, the courts, and the federal system. These burdens demonstrate the compelling need for this Court's intervention.

A. Sliding-Scale Approaches To Jurisdiction Impose Greater Uncertainty On Businesses.

This Court has long recognized that the limitations on specific jurisdiction "give[] a degree of predictability to the legal system that allow[] potential defendants to structure their primary conduct with some minimum assurance as to where that conduct will and will not render them liable to suit." *World-Wide Volkswagen Corp.* v. *Woodson*, 444 U.S. 286, 297 (1980). Companies know that they generally have a "due process right not to be subjected to judgment in [the] courts" of a State other than their home State, or States, unless they have affirmatively established contacts with the State itself that make them subject to specific jurisdiction there. *Nicastro*, 564 U.S. at 881; *see also Walden*, 134 S. Ct. at 1123.

This "[p]redictability is valuable to corporations making business and investment decisions." *Hertz Corp.* v. *Friend*, 559 U.S. 77, 94 (2010). For example, "[i]f a business entity chooses to enter a state on a minimal level, it knows that under the relationship standard, its potential for suit will be limited to suits concerning the activities that it initiates in the state." Carol Rice Andrews, *The Personal Jurisdic-*

tion Problem Overlooked in the National Debate About "Class Action Fairness", 58 S.M.U. L. Rev. 1313, 1346 (2005).

Extending specific jurisdiction to claims that do not arise out of a defendant's forum contacts eliminates any predictability. If plaintiffs could bring claims from all over the country in any State as long as they allege a "common nationwide course of distribution," Pet. App. 28a, businesses' ability to predict where they are subject to specific jurisdiction—and tailor their conduct to limit exposure to jurisdiction—would be drastically reduced, because a "company's potential liabilities [could not] be forecast from its [in-]state activities." *Id.* at 83a (Werdegar, J., dissenting). Indeed, a company that sold products nationwide would have no way of avoiding being trapped in mass actions, comprised principally of cases involving only out-of-State conduct, in any forum in the country—no matter how "distant or inconvenient." *See World-Wide Volkswagen*, 444 U.S. at 292.

Applying specific jurisdiction in such an unpredictable and indiscriminate manner would be unfair to product manufacturers and irreconcilable with the Due Process Clause. *See Nicastro*, 564 U.S. at 885 (explaining that "[j]urisdictional rules should avoid the[] costs [of unpredictability] whenever possible"); *Burger King Corp.* v. *Rudzewicz*, 471 U.S. 462, 475 n.17 (1985) (explaining that due process is violated when a defendant "has had no 'clear notice that it is subject to suit' in the forum and thus no opportunity to 'alleviate the risk of burdensome litigation' there" (quoting *World-Wide Volkswagen*, 444 U.S. at 297)). And the increase in legal costs produced by this un-

bridled approach to specific jurisdiction would ultimately be borne by consumers.

B. Sliding-Scale Approaches Expand Plaintiffs' Ability To Engage In Forum-Shopping.

The California court's sliding-scale approach also would impose new burdens on courts, by enabling plaintiffs—and plaintiffs' lawyers—to shop aggressively for plaintiff-friendly forums and bring as many claims as possible there. In pharmaceutical litigation, plaintiffs' counsel often seek to aggregate claims from plaintiffs across the country in particular "magnet jurisdictions" that are viewed as especially plaintiff-friendly. Before *Daimler*, plaintiffs seeking to bring suit in such "magnet jurisdictions" would rely on expansive theories of general jurisdiction, arguing that the defendant companies did a high volume of business there.

Daimler foreclosed that approach by holding that even a "substantial, continuous, and systematic course of business" by the defendant is not enough to support general jurisdiction. 134 S. Ct. at 761 (internal quotation marks omitted). But the standard applied by the majority below circumvents *Daimler* and opens a new forum-shopping avenue for plaintiffs' lawyers, allowing the filing of a limitless number of claims in a desired forum as long as there is some nebulous relation between the claims and the defendant's forum contacts. See Charles W. Rhodes & Cassandra Burke Robertson, *Toward a New Equilibrium in Personal Jurisdiction*, 48 U.C. Davis L. Rev. 207, 242 (2014) (rejecting the notion that of "specific jurisdiction in every forum in which the defendant conducts continuous and systematic forum activities that are sufficiently similar to the occurrence in dis-

pute," which "would give the plaintiff the choice of essentially every state for proceeding against a national corporation"). This Court should not permit such blatant gamesmanship.

C. Sliding-Scale Approaches Are Inconsistent With Federalism.

Finally, the sliding-scale approach violates basic principles of federalism. As this Court has recognized, the minimum-contacts requirement for exercising specific jurisdiction "acts to ensure that the States[,] through their courts, do not reach out beyond the limits imposed on them by their status as coequal sovereigns in a federal system." *World-Wide Volkswagen*, 444 U.S. at 292. By expanding the scope of a State's authority to exercise specific jurisdiction beyond permissible bounds, the sliding-scale theory "infringe[s] directly on [other states'] sovereign prerogative to determine what liabilities [defendants] should bear for actions in [their] borders." Pet. App. 83a (Werdegar, J., dissenting).

States have no legitimate interest in asserting specific jurisdiction so expansively and meddling in affairs that occurred exclusively in other States. Rather, the ability to adjudicate claims based on a defendant's in-State activities is amply sufficient to vindicate a State's interest in protecting its citizens and regulating conduct within its borders. Thus, the dissenters below rightly concluded that "[w]here the conduct sued upon did not occur in California, was not directed at individuals or entities in California, and caused no injuries in California or to California residents, neither our state's interest in regulating conduct within its borders nor its interest in providing a forum for its residents to seek redress for their

injuries is implicated." *Id.* at 86a (dissent) (citations omitted).

This Court should reject the sliding-scale approach used below and require plaintiffs to bring their claims in the proper forum—the State in which their claims arose or a State in which the defendant is subject to general jurisdiction.

CONCLUSION

The petition for a writ of certiorari should be granted.

Respectfully submitted.

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